

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

J. AMERICA, INC., et al.,

Plaintiffs,

Case No. 1:07-cv-348

v.

HON. PAUL L. MALONEY

APPAREL TRENDS, INC.,

Defendant.

ORDER ADMINISTRATIVELY CLOSING CASE

On August 24, 3007, the court was informed that Apparel Trends, Inc., one of the parties to this action, filed a Petition in Bankruptcy. On August 27, 2007, this court entered an order staying this action until the Bankruptcy proceedings in question are terminated in accordance with 11 U.S.C. § 362.

The automatic stay provision of the Bankruptcy Reform Act of 1978, 11 U.S.C. § 101, et seq. halts the commencement or continuation of litigation against the debtor by adverse parties; it does not divest this court of jurisdiction to issue necessary orders in civil actions which are stayed in Bankruptcy. Connell v. Walker, 291 U.S. 1 (1934); Donald F. Duncan Inc. v. Royal Tops Mfg. Co., 381 F.2d 879 (7th Cir. 1967), cert. denied, 390 U.S. 905 (1968).

Rather than have this action remain on the court's docket indefinitely, a result which is contrary to the interest of the court, the debtor, and the public, the court has decided to administratively close this matter pending termination of the related bankruptcy proceedings.

IT IS HEREBY ORDERED that in the interest of the effective administration of the court's business, without prejudice to either party to this action, and in keeping with the intent

and spirit of the automatic stay provision of the Bankruptcy Reform Act, 11 U.S.C. § 362, this matter is **CLOSED**. This closing is for administrative purposes only and does not constitute a decision on the merits. Upon termination of the aforementioned bankruptcy proceedings, or the lifting of the automatic stay with reference to the instant proceeding, the court will allow either party to move to reopen this action. Any such motion need only refer to this order and it will be granted.

Dated: 9/12/07

/s/ Paul L. Maloney

Paul L. Maloney
United States District Judge